EXHIBIT G

Joyce Deposition

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

Plaintiff

V

:CIVIL NO. 98-1664 (CCC) :CIVIL NO. 98-2344 (CCC)

33,92536 ACRES OF LAND, MORE : OR LESS, SITUATED IN VEGA BAJA,: COMMONWEALTH OF PUERTO RICO, : AND JUAN PIZA BLONDET, AND : UNKNOWN OWNERS :

Defendants

DEPOSITION OF:

DR. JAMES JOYCE

was taken on April 3, 2006 at the offices of CARLOS GAZTAMBIDE & ASSOCIATES, Banco Popular Center, Suite 1515, 208 Muñoz Rivera Avenue, Hato Rey, Puerto Rico, commencing at 9:33 a.m.

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Case 3:98-cv-01664-FAB-BJM Document 133-8 Filed 08/14/2006 Page 3 of 7 BONAFIDE & CERTIFIED REPORTING SERVICE (787) 250-8507)

A No, no, no. Q Now, perhaps this is a little obvious but you 3 aren't aware of any situations where people have been 4 allowed to extract sand from a wetland, have you? A From a wetland itself? O Yes. 7 A No. I've, what I would say, based on the 8 reading the regulations that they would not be allowed 9 to extract from a wetland area. At least with DNR. 10 I recall, DNR requires that the Corps of Engineers 11 stipulate the wetland boundaries before, before you can 12 extract. 13 0 Would it be fair to say that, your 14 understanding is that DNR says first find out what the 15 boundaries of the wetlands from the Corps and then 16 that's all off limits? 17 A To get the permits, that's, that's right. 18 Did you speak to anyone at DNRA about whether 19 they would ever allow extraction of sand in a Corps' 20 defined wetland? 21 MR. MUNPHREY: I object to the form. THE DEPONENT: No, no, I didn't discuss that 23 directly.

1 translated, within my report, sections that pertain to 2 this. I don't refer it to any place in this particular 3 estimate and I believe, I don't know whether I saw it 4 in a, in the, in the actual literature or whether it 5 was something that I was told but it is actually, it's 6 a typical estimate because in my of my other job we 7 left, we had to leave ten, ten meters to adjacent 8 properties. It's a normal restriction, a ten meter 9 buffer zone. 10

EXAMINATION CONTINUED

11 BY MR. HARRISON:

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- 0 Were there wetlands involved in your other 13 project?
 - No, there wasn't. A
- Have you been involved in any projects of 16 sand extraction near wetlands?
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- And just so I understand fully, you're not 19 sure right now whether you relied on Darysadel's advice 20 for an actual statement in the regulations for your ten meter evaluation?
 - A That's true.
- And what is your understanding of Darysadel's 0 24 involvement in sand extraction permitting?

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1 BY MR. HARRISON:

Now you discussed using a ten meter buffer 3 and, is that correct?

EXAMINATION CONTINUED

- A Yes, yes, it is.
- And in your first version of your report you 5 6 used a five meter buffer, is that --
- 7
 - That's right.
- 8 Did you speak to anyone at DNRA in the 9 division that issues permits for sand extraction about 10 what their policy was?
- 11 A Well, I spoke with Darysadel. She's the one 12 who sent me the regulations.
- And is there a particular place in the 14 regulations you can refer to that you found the ten 15 meter number?
- 16 I'm not sure. I believe there is or 17 Darysadel may have told me about it directly. Let me, 18 I do believe I refer it in the report.
- 19 Do you have a copy of the regulations with 20 you that she gave you?
- 21 MR. MUNPHREY: I believe he said it's 80 22 pages.
- 23 THE DEPONENT: No, that was the 80 pages. I 24 did, however, usually in places like that I have

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Actually we had a conversation about it 2 previously in another case in that area and she was 3 kind of asking my advice about, you know, what the 4 deposits were like and how much and she was, it was a 5 case of, a little different than this.

It was actually some other property that was 7 expropriated for the Tortuguero Reserve. They were 8 claiming that that contained quartz sands and that, 9 therefore, they, they should get reimbursed for those 10 costs.

That whole argument is much different because it 12 fell into the reserve area, that was even marked out 13 previous to the taking of the land so we just had a 14 discussion about that and especially in terms of what, 15 what she was really asking about, I remember now, is 16 how I did volume estimates and how I came to volume 17 estimates and she was actually referred to by another 18 appraiser on a different case that I had worked with 19 them.

20 I'm going to ask you the same question and 21 try to focus a little bit more. Is it your 22 understanding that she's involved in, in the day to 23 day decisions of whether or not to issue permits for 24 sand extraction?

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That's done by weighing the sample, drying it and 2 then weighing it again. That gives you the percent of 3 water and then Q tons per square foot is the 4 uncompressive strength of the, of the rock, of the 5 soil. I'm sorry. Unconfined, compressive strength of 6 the, of the soil and which is probably an estimate, my 7 quess.

They use what's called a penetrometer for that and 8 9 you can see some of them are pretty high, 58.43, some 10 of the blow counts get up into the 20's and that's 11 probably pretty dense stuff.

- O Did you reach a conclusion in your report as 13 to how dense or how much water was in the sand?
- 14 A No. I really didn't put that in the issue 15 because I wasn't calculating the square feet. 16 Sometimes you can, you can actually get the clay 17 percent by looking at the water content but usually the 18 more clay, then the more water it has.

19 Specifically in Boring 2 where the deep sand was, 20 that was really good material and you can see the water 21 contents stayed pretty low but there's a pretty high 22 blow, blow count so that's well compacted sand at that 23 point but as far as tons, I really don't know.

Q Okay.

You mean royalty in terms of someone else extracts from your property or --

> 0 Yes.

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-- the costs per cubic meter? A

- I was going to ask you both those questions.
- Okay. Royalty rates, no. I don't, I don't 7 really know and it's been a while since I actually asked for costs of sand. When I had done a previous 9 job silica sand was about ten times the value of normal 10 sand. At that time it was like \$30, a cubic meter. and I'm sure it's gone up since then. Regular sand 12 has.
 - Who would you ask?
- If I was to find it now I'd go ask Owens A 15 Illinois how much they pay per cubit meter.
 - 0 Who would you ask if you were trying to find out about construction rate sand?
- Oh, I'd probably call an "arenero", a sand 19 place and find out how much but I would call one of the companies that extract themselves.
- O And this is also a question I've sort of asked you but, do you know how many thousands tons of 23 sand are extracted each year in Puerto Rico?
 - No. No, but it's, I mean, all kinds of sand?

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- I mean, it's something I could do if I sat 2 down and got, you know, some average density estimate 3 and then computed from meters to feet and, you know.
 - That analysis hasn't been done yet?
- I haven't done it. I know Carlos Gaztambide 6 asked me about it, if I knew or one of his assistants 7 had called me and said did I know how many tons there 8 were in a square, in a cubic meter of sand and I really 9 don't.
- That's basically what you got from the 10 11 testing laboratory, right?
- Yes, there's two things. There's the, 13 there's the handwritten stuff that they gave to me 14 pretty quickly and then the other stuff that they sent 15 later so and they're really the same, but that's up to 16 you, if you want all of it. That was a bill.

17 MR. HARRISON: Actually if you would include 18 a copy of the bill, I would appreciate that. 19

EXAMINATION CONTINUED

20 BY MR. HARRISON:

- Q I think we covered this before a little bit 21 22 too. Has anyone told you what royalty rates are 23 offered for this kind of sand in Puerto Rico?
 - A I don't know what the current rates are.

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Yes.

It's got to be huge.

Or just this type of sand.

This type of sand I really don't know how A much is actually extracted.

- Did you do any salinity analysis or otherwise test the quality of the sand out there?

 - Would that make a difference in a small washing?
- Yes, that could be washed. I don't, I don't 12 think that that would be a problem and I was just wondering if I tasted it. I sometimes taste my soil 14 samples, check for silt and clay.
 - Scientists end up sticking stuff --
- 16 A That's right. But I don't know if I did or 17 not but it wouldn't be a particular problem and besides 18 that area, what's kind of interesting is the water in 19 the lagoon is fed fresh, fresh springs so I would guess 20 that the salinity would be very low.
- Q We're almost done. You said that there's 22 about two square meters of sand pretty much everywhere 23 on this area, is that right?
 - A That's, that's about the minimum, typically

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1 and not just for that area but everywhere and that was 2 one of the conclusions of the thesis.

> 0 Okay.

You almost get about, well, two meters thick. 5 It usually runs about, you know, two meters thick and 6 other places it's deeper. Tortuguero is a place 7 around, Laguna Tortuguero is noted not only in the 8 master's thesis but I believe even, maybe even on the 9 geologic map, as having very thick deposits, thicker 10 than most other places.

Q Now, Mr. Gaztambide shared with you his 11 12 estimate of what, what the sand on that site is worth?

13 A No, as a matter of fact, he did not. I've 14 never seen the estimates.

If I told you that his range from your 16 minimum sand extraction potential to your most probable 16 17 sand extraction potential and that is, actually this is 18 based on the original 100,000 meters and then the 19 200,000 meters, was 3.2 to 6.3 million dollars, would 20 that seem reasonable to you?

21 A Yes. It would make me wish that I sold sand 22 instead of taught geology basically, but, yes, I know 23 that sand is very valuable. I've been in other, not 24 even silica, just regular sand cases and it's a big

1 issue?

Potentially, yes. The point about the, you 3 know, if you're getting permits to put in houses, then 4 it sort of takes out the environmental issue, you know. 5 Once there are houses in there, then we've ruined the 6 environment so then extracting the sand doesn't make 7 any difference, you know.

MR. HARRISON: I think I'm done with my 9 questions. There were a couple of things that we asked 10 for so I will, when I go back, send you guys an e-mail confirming that and we can coordinate. Like, for example, his CV and there's the cases --

THE DEPONENT: I can have that sent here, that will be here tomorrow.

MR. HARRISON: Okav.

MR. E. HARRISON: Yes. Limiting the, you 17 know, testimony to the area --

MR. MUNPHREY: If there's a question that's generated by that.

MR. P.E. HARRISON: And the list of cases.

21 MR. HARRISON: Yes. We also, what did we ask

22 for? List of cases, CV and we got Ms. Perez' number, 23 the name --

THE DEPONENT: Right. Her boss is Julio Toro

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1 issue.

Knowing that, have you considered going out 3 and buying some of the vacant land that's out there?

A I tell my students if they're not doing well 5 in class, "You're not going to do well as a geologist 6 so go buy some land that's got sand on it."

In fact, one of our worst students is now doing 8 that. He's selling, he's working in his father's 9 quarry selling rock. He wanted to hire me one time to 10 do some sand, you know.

11 Q What's your opinion on why, why no else is 12 mining sand out there in Laguna Tortuguero?

13 A I don't really have an opinion. It's, what 14 normally happens here people get double value from 15 their land most of the time when housing is developed 16 and that's, a lot of times they'll wait because it 17 helps you get permission as well, that you're

18 developing and you get permission to take the sand out,

19 sell the sand, get rich and then, then sell the

20 property for housing and get richer and I would imagine 20 21 that's basically what it's waiting on. Other than the

22 areas that are covered by the reserve, and then,

23 obviously, those cannot be used.

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O or if there were some other environmental

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1 so you will see him.

MR. HARRISON: I believe that is everything. 3 Jeff might remember something else.

EXAMINATION CONTINUED

BY MR. HARRISON:

And one last question. Dr. Joyce, in looking through your file that you kind left at lunch, there were two sets of e-mails from Mr. Vidrine to Mr. Gaztambide. Do you recall these two e-mails?

Yes, I do.

Did Mr. Gaztambide show them to you?

Yes, he did. Actually, these were faxed.

MR. HARRISON: I'd just like to attach those 14 as the final exhibit.

MR. P. E. HARRISON: Okey. Why don't we 16 attach those e-mails as the next exhibit and then all 17 the pictures that you referred to --

MR. HARRISON: We can do that, we can do 19 that.

THE DEPONENT: I think all the pictures we 21 talked about were in my report.

MR. MUNPHREY: No, these.

MR. HARRISON: No, these were not. So we've 24 got, Exhibit 15 is the two e-mails. Actually, was



